

## Stakeholder Comment & AESO Replies Matrix

### Alberta Reliability Standards

November 16, 2009

**Date of Request for Comment:** September 9, 2009  
**Stakeholder Consultation Period:** September 9 – October 9, 2009

<b>1.1 – CIP-001-AB-1</b>		
<b>Stakeholder</b>	<b>Stakeholder Comment</b>	<b>AESO Response</b>
<b><u>ATCO Power</u></b>	<p>This standard and its requirements are substantial. ATCO Power agrees with the AESO’s proposed Alberta variance for R1. It is impractical for responsible entities to recognize sabotage events affecting larger portions of the Interconnection. ATCO Power would suggest the AESO consider another change to this standard. As one of a group of standards that make up the Critical Infrastructure Protection standards, we believe sabotage reporting should be applied in the context of protection to critical infrastructure. We see a benefit in first identifying guidelines as to what should be considered a critical asset in Alberta. From the level or degree to which an asset is deemed critical, it should be included into sabotage reporting. ATCO Power is concerned the proposed reliability standard on sabotage reporting as worded would place unnecessary requirements and burdens on some participants outside of their current incident reporting processes. Instead the wording should allow non-critical assets to use their current processes. This would allow a focus on modifications to processes at critical systems and result in a lower cost burden of implementation but still remain effective to serve its intended purpose.</p> <p>ATCO Power is also very concerned with the AESO having two different sources for rules on sabotage reporting. ATCO Power would like the AESO to align this reliability standard with the Transition of Authoritative Documents (TOAD) initiative. We would suggest the AESO apply this reliability standard only to</p>	<p>The AESO has considered ATCOs suggestion to apply sabotage reporting to critical infrastructure; however we believe that this would not be consistent with the intent of the NERC CIP-001 standard which is to provide requirements on the reporting of sabotage events.</p> <p>The security working group is currently reviewing and working on converting all CIP standards into Alberta Reliability Standards. The AESO believes the NERC CIP-002-1 outlines the requirements for the identification and documentation of Critical Assets that support the reliable operation of the Bulk Electric System and that this standard will address ATCO’s suggestion.</p> <p><b>Response to concern of overlap between AESO authoritative documents:</b>                      The AESO notes that essentially all of the Stakeholders who submitted comments raised a concern with the potential overlapping of this Alberta Reliability Standard with OPP 808.</p>

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	<p>themselves and revise OPP 808 to include the additional actions required by others, or as an alternative remove OPP 808 and use only the reliability standard.</p>	<p>The AESO does agree, in principle, that (a) it is best to include in only one of the AESO's authoritative documents (i.e. an ISO Rule (including OPPs) or an Alberta Reliability Standard) a particular subject matter; and (b) that if a particular subject matter is located in more than one Authoritative Document, that no specific duty or responsibility be located in more than one such Authoritative Document.</p> <p>The AESO therefore understands the concerns expressed by stakeholders. The AESO's TOAD project includes as one of its objectives, addressing "overlaps" and ensuring duplication is avoided.</p> <p>The AESO also recognizes that to achieve this given the current state of the ISO Rules (including OPPs) and the structure of the Alberta Reliability Standards that are being put forward for approval, may take some time. However, the AESO is committed to working with stakeholders to identify and address all such circumstances as soon as reasonably possible.</p> <p>In this instance the AESO is of the view that it can address the issue of duplication of subject matter and</p>
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		<p>overlap of a duty and responsibility by amending OPP 808 to delete the portion causing the duplication and overlap; the effect of this will be that all of the subject matter re: “sabotage reporting” will be addressed in this Alberta Reliability Standard and OPP 808 will only apply to the ISO.</p> <p>However, the AESO can not ensure that there will not be legacy issues of duplication and overlap that continue to exist pending the AESO’s efforts to address these through the TOAD project.</p>
<b><u>Capital Power</u></b>	<p>Capital Power is concerned about the Alberta Electric System Operator’s (AESO) stated intention to file for approval with the Alberta Utilities Commission (AUC) both Operating Policy and Procedure (OPP) 808 and Reliability Standard CIP-001-AB-01. Each of OPP 808 and CIP-001-AB-01 identify the obligations of the ISO and market participants relative to sabotage event reporting.</p> <p>Where there is overlapping subject matter in multiple authoritative documents, the subject matter should be consolidated into one authoritative document. Consolidation of authoritative documents by subject matter enables market participants to better comply and is an important step towards achieving a healthy culture of compliance. Authoritative documents must be drafted to provide clarity, transparency and certainty with regard to the rights, requirements and obligations of market participants (and the ISO). In order to achieve this goal, it is necessary to eliminate any overlaps, duplication and gaps with respect to content in authoritative documents. It is inefficient and unnecessary to develop multiple authoritative documents involving the same subject matter. By doing so, the AESO creates ambiguity and uncertainty which ultimately reduces the likelihood of achieving full compliance.</p>	<p>Please see “<b>Response to concern of overlap between AESO authoritative documents</b>” on Page 1.</p>

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	<p>Our most significant concern is that the AESO's intended practice of developing duplicative rules and standards leads to the spectre of the assessment of multiple penalties on persons or entities for the same non-compliance. It is alarming that the AESO would knowingly create two authoritative documents containing the same requirements, with the potential that market participants would not be able to readily to ascertain the compliance regime under which these fall.</p> <p>Capital Power does not support the filing of both OPP 808 and Reliability Standard CIP-001-AB-01 with the AUC. We are of the view that the existence or creation of two authoritative documents with overlapping requirements is not in the public interest, can create conflicting compliance requirements, and do not support the fair and efficient operation of the market. We recommend that the AESO consolidate the content of the two authoritative documents into CIP-001-AB-01 and remove OPP 808 from the ISO rules.</p> <p>In addition, Capital Power notes that the definition of a sabotage event is not defined in CIP-001-AB-01, nor is it included in the Reliability Standard glossary. It is difficult to assess our ability to comply with the standard if we are uncertain as to what the definition of a sabotage event is.</p> <p>OPP 808 defines sabotage events as "...incidents that prevent the ISO from carrying out its responsibilities, by affecting the reliable operation of the AIES. Examples would include but are not limited to: the deliberate destruction or damage of equipment, facilities, computer systems, communication systems and telecommunication systems used by the ISO, Transmission Facility Owner (TFOs) and Generation Facility Owner (GFOs)." This definition is extremely broad and places unreasonable administrative burdens on market participants.</p>	<p>The definition of a "sabotage event" is being proposed for the ARS Glossary at the end of the conversion document issued for stakeholder consultation: 2009-09-09.</p> <p>The AESO agrees and will remove the definition in OPP 808 regarding sabotage events.</p> <p>We acknowledge your concern</p>
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	<p>Furthermore Alberta has in place a Security Management Regulation that manages security measures for “critical facilities”, and “critical infrastructure,” as defined by the regulation, to establish security measures relating to critical facilities. The AESO needs to develop measures that correspond and do not duplicate requirements with that legislation. Once again Capital Power is concerned that CIP-001-AB-01 is creating duplicative requirements for market participants with respect to sabotage event reporting that could also be considered acts of terrorism.</p> <p>Finally, sabotage events may not be recognized immediately as such and not be reported as timely as when the event occurred making the entities appear non-compliant.</p>	<p>regarding duplication. However given our mandate, which includes an obligation under the <i>Transmission Regulation</i> to adopt reliability standards, and the province’s objective of meeting the requirements of the <i>Alberta Counter-Terrorism Crisis Management Plan</i> partially through the <i>Security Management Regulation</i>, there may be some unavoidable overlap.</p> <p>As part of ongoing security workgroup activities, we will continue to consider and assess such overlaps.</p> <p>There are no requirements in CIP-001-AB-1 for entities to report unrecognized events.</p> <p>The definition of a “sabotage event” as proposed for the ARS Glossary at the end of the conversion document issued for stakeholder consultation: 2009-09-09 states that a “sabotage event” “means an occurrence or resulting circumstance that a responsible entity <u>suspects or determines...</u>”.Therefore until such time as an “occurrence or resulting circumstance” is suspected or determined by the responsible entity, in accordance with requirement R1 it is not a “sabotage event”.</p>
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<p><b><u>TransAlta</u></b></p>	<p>Applicability: This standard more appropriately applies to Generator Operators as opposed to Generator Facility Owners, as the operators will be responsible for sabotage response in a real time situation.</p> <p>R1 states that each responsible entity must document and implement procedures for receiving information about multi-site sabotage events affecting interconnection. TransAlta would like more specifics included in the standard around this point. Receiving what information, and from whom? What is defined as a multi-site sabotage event vs. a single site? Would this not be information we would receive directly from the ISO?</p>	<p>The AESO assigns applicability of requirements based on advice from the ARC work group assigned to review the standard.</p> <p>R1 has been modified to the following: <b>R1</b> Each responsible entity must document and implement procedures for:</p> <p><b>R1.1</b> Recognizing sabotage events on its facilities.</p> <p><b>R1.2</b> Receiving information about sabotage events affecting the Interconnection from:</p> <ul style="list-style-type: none"><li>- the ISO</li><li>- the local municipal police service, if applicable</li><li>- the Royal Canadian Mounted Police</li><li>- the Alberta Security and Strategic Intelligence Support Team (ASSIST)</li></ul> <p><b>R1.3</b> Making its operating personnel aware of sabotage events on its facilities and sabotage events affecting the Interconnection.</p>
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	<p>R2 states that each responsible entity must document and implement procedures for communicating information concerning sabotage events in accordance with ISO rules for sabotage reporting. Firstly, any reference to ISO rules should specifically include the rule in the standard so there is absolute certainty as to which rules are referenced. Secondly, and probably more broadly, TransAlta believes that all rules regarding sabotage reporting should be consolidated in one place, most likely in this standard. It does not make sense to have two separate rules regarding the same thing (eg: CIP-001 and OPP 808). Two set of rules will cause confusion and potential for error in a real time sabotage situation. Additionally, two sets of rules mean that there is the potential for two separate fines for the exact same violation. TransAlta would like all rules regarding sabotage reporting to be incorporated into CIP-001.</p> <p>R3 states that each responsible entity must annually provide its operating personnel with sabotage event response procedures, including personnel to contact, for reporting sabotage events. TransAlta would suggest striking the word annually, this information should remain current and be updated as required, which may be more often than on an annual basis.</p> <p>M4 states that evidence exists that indicate procedures specified in requirement R4 were implemented upon occurrence of a sabotage event, however R4 is not a standard that requires a response to a sabotage event, but rather is a requirement to establish communication contacts <u>prior to</u> a sabotage event.</p>	<p>Please see “<b>Response to concern of overlap between AESO authoritative documents</b>” on Page 1.</p> <p>The AESO agrees that procedures and contact information should be updated as required. Updating annually is the minimum requirement.</p> <p>The AESO does not agree with TransAlta’s interpretation of R4 that the standard does not require a response to a sabotage event. R4 requires the responsible entity to not only document but also <u>implement</u> reporting procedures. R4 has been modified for clarification to the following:</p> <p><b>R4</b> Each responsible entity must: <b>R4.1</b> Document sabotage event reporting procedures, that identify current communications contacts with the following:</p>
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		<ul style="list-style-type: none"> <li>- The local municipal police service, if applicable;</li> <li>- The Royal Canadian Mounted Police; and</li> <li>- The Alberta Security and Strategic Intelligence Support Team (ASSIST)</li> </ul> <p><b>R4.2</b> Implement the procedures as identified in requirement R4.1 upon the occurrence of a sabotage event.</p>
<p><b><u>TransAlta</u></b></p>	<p>TransAlta is concerned about the Alberta Electric System Operator’s (AESO) stated intention to file for approval with the Alberta Utilities Commission (AUC) both Operating Policy and Procedure (OPP) 808 and Reliability Standard CIP-001-AB-01. Each of OPP 808 and CIP-001-AB-01 identify the obligations of the ISO and market participants relative to sabotage event reporting. This approach is inconsistent with the aims of the Transition of Authoritative Documents (TOAD) initiative as there is no material difference in content or subject matter of these two authoritative documents and consequently duplicative requirements and obligations are created. In order to achieve this goal, it is necessary to eliminate any overlaps, duplication and gaps with respect to content in authoritative documents.</p> <p>The TOAD working group members (which included a number of AESO employees) agreed that where there is overlapping subject matter in multiple authoritative documents, the subject matter should be consolidated into one authoritative document. Consolidation of authoritative documents by subject matter enables market participants to better comply and is an important step towards achieving a healthy culture of compliance.</p> <p>Our most significant concern is that the AESO’s intended practice of developing duplicative rules and standards leads to the possibility of the assessment of multiple penalties on persons or entities for the same non-compliance.</p>	<p>Please see “<b>Response to concern of overlap between AESO authoritative documents</b>” on Page 1.</p> <p>Although the TOAD working group recommended that overlapping subject matter in multiple authoritative documents should be consolidated the ARC agreed that Alberta Reliability Standards are separate authoritative documents and are not ISO Rules. <a href="http://www.aeso.ca/downloads/TOAD_-_Path_Forward_vAug_6_2009.pdf">http://www.aeso.ca/downloads/TOAD - Path Forward vAug 6 2009.pdf</a></p>

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	<p>TransAlta does not support the filing of both OPP 808 and Reliability Standard CIP-001-AB-01 with the AUC. We are of the view that the existence or creation of two authoritative documents with overlapping requirements is not in the public interest, can create conflicting compliance requirements. We recommend that the AESO consolidate the content of the two authoritative documents into CIP-001-AB-01 and remove OPP 808 from the ISO rules.</p>	
<p><b><u>IPPSA</u></b></p>	<p>The AESO must address the redundancy of this Sabotage Reliability Standard and its Sabotage Reporting OPP (808). Participants should only be obligated to adhere to one.</p> <p>The following are comments directed to the language of the Standard.</p> <p>Applicability: As stated this standard applies to Transmission Facility Owners (TFO) and Generation Facility Owners (GFO) and wire owners except those who only operate facilities below 25 kV. Although owners and operators are often the same entity they may not be. Instead of owners, this standard should apply to Transmission, Generation and Wire Operators.</p> <p>The rationale for excluding wire operators who exclusively operate facilities below 25 kV is not given. As currently written, the standard could apply to an owner/operator of a Distributed Generator (DG), but may not apply to the owner/operator of the distribution system to which the DG was connected.</p>	<p>Please see “<b>Response to concern of overlap between AESO authoritative documents</b>” on Page 1.</p> <p>The AESO assigns applicability of requirements based on advice from the ARC work group assigned to review the standard.</p> <p>The AESO has developed a ‘Functional Model and Criteria for Registration’ document the purpose of which is to provide definitions of applicable functional entities used in the “Applicability” section of approved reliability standards as well as to provide additional guidance to a market participant in determining if the market participant is required to register for reliability standards. The GFO registration criteria, which can be found</p>

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	<p>Requirement R1: Responsible entities must document and implement procedures for receiving information about sabotage. However, who is to receive this information, and from whom the information will come is not defined. It is suggested that the ISO is best positioned to play the role of information coordinator. In this case information flows from the responsible entity to the ISO and the ISO disseminates information back out to other entities as required. Also, responsible entities must document and implement procedures for receiving information from the ISO about sabotage and disseminating the information received from the ISO to the operating personnel that the responsible entity specifies.</p> <p>Measure: MR1. Sabotage events may not be recognized as such immediately. Suggest that measure be changed to; Evidence exists that procedures specified in Requirement R1 were implemented <u>upon the recognition</u> of a sabotage event.</p>	<p>through the link below, indicates that this reliability standard has the following threshold; ...generating unit(s) or power plant(s) with a capacity equal to or greater than 5 MVA directly connected to the Alberta transmission system. Therefore this reliability standard would not apply to owners/operators of distributed generators as they are not directly connected to the Alberta Transmission system.</p> <p>The document setting out this criteria is located at <a href="http://www.aeso.ca/downloads/ARS_-_Functional_Model_and_Criteria_for_Registration.pdf">http://www.aeso.ca/downloads/ARS_-_Functional_Model_and_Criteria_for_Registration.pdf</a></p> <p>This document can also be viewed by pointing your browser to <a href="http://www.aeso.ca/Compliance/AlbertaReliabilityStandards/AlbertaReliabilityStandardsRegistrationandCriteriaforRegistration">www.aeso.ca&gt;Compliance&gt;Alberta Reliability Standards&gt; Alberta Reliability Standards Registration and clicking on the link - <u>Alberta Reliability Standards Functional Model and Criteria for Registration</u></a></p> <p>R1 has been modified to the following: <b>R1</b> Each responsible entity must document and implement procedures for:</p>
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	<p>Requirement R2: It is unclear what the rationale is for broadening the requirement from “communicating information concerning sabotage events in accordance with ISO rule OPP 808” to “communicating information concerning sabotage events in accordance with ISO</p>	<p><b>R1.1</b> Recognizing sabotage events on its facilities.</p> <p><b>R1.2</b> Receiving information about sabotage events affecting the Interconnection from:</p> <ul style="list-style-type: none"><li>– the ISO</li><li>– the local municipal police service, if applicable</li><li>– the Royal Canadian Mounted Police</li><li>– the Alberta Security and Strategic Intelligence Support Team (ASSIST)</li></ul> <p><b>R1.3</b> Making its operating personnel aware of sabotage events on its facilities and sabotage events affecting the Interconnection.</p> <p>The AESO recognizes that as per the proposed definition of “sabotage event” at the end of the conversion document issued for stakeholder consultation: 2009-09-09. The recognition of an event takes place when “a responsible entity suspects or determines” an event.</p> <p>R2 has been modified to the following:</p> <ul style="list-style-type: none"><li>• Each responsible entity must document and implement procedures for communicating information</li></ul>
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	<p>rules for sabotage reporting.” If other rules are applicable they should be specified.</p> <p>Measure M2: Sabotage events may not be recognized as such immediately. Suggest wording be changed to, “Evidence exists that the procedures specified in requirement R2 were implemented <u>upon recognition</u> of an occurrence of a sabotage event.</p> <p>Requirement R3: It is not clear why each responsible entity must provide its operating personnel with sabotage event response procedures on an annual basis. The requirement is not evident in the NERC standard and will not ensure that changes to the procedures are implemented in a timely manner. It is suggested that the wording be revised to say, “Each responsible entity will provide its operating personnel with access to up to date sabotage event response procedures, including personnel to contact, for reporting sabotage events.”</p> <p>MR3: For the reasons outlined in suggested changes to R3 above, the measure MR3 should be amended to say, “Records indicate that operating personnel are provided access to sabotage event response procedures and related contact information.”</p>	<p>concerning sabotage events to the system controller.</p> <p>The definition of a “sabotage event” as proposed for the ARS Glossary at the end of the conversion document issued for stakeholder consultation: 2009-09-09 states that a sabotage event is “an occurrence or resulting circumstances that a responsible entity <u>suspects or determines</u>...” therefore until such time as an occurrence is suspected or determined by the responsible entity, it is not deemed to be a sabotage event and therefore the entity would be compliant.</p> <p>The AESO agrees that procedures and contact information should be updated as required. Updating annually is the minimum requirement.</p> <p>The AESO does not agree that providing access to procedures is sufficient in ensuring that operating personnel have reviewed the procedures. Therefore the AESO does not accept the suggested wording for R3 or MR3.</p> <p>R4 requires the responsible entity to not</p>
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	<p>MR4: Procedures specified in R4 are limited to identifying current communications contacts with local municipal police, the RCMP and the Alberta Security and Strategic Intelligence Support Team. This is something that is done prior to any sabotage events and updated on a periodic basis. The measure should be that records exist that current communication contacts are reviewed and updated within a 12 month period. The measure that evidence exists that procedures specified in requirement R4 were implemented upon an occurrence of a sabotage event should be dropped because, as written, it implies that following any sabotage event all records must be updated. This requirement is not part of R4.</p>	<p>only document but also <u>implement</u> reporting procedures. R4 has been modified for clarification to the following:</p> <p><b>R4</b> Each responsible entity must:</p> <p><b>R4.1</b> Document sabotage event reporting procedures, that identify current communications contacts with the following:</p> <ul style="list-style-type: none"><li>- The local municipal police service, if applicable;</li><li>- The Royal Canadian Mounted Police; and</li><li>- The Alberta Security and Strategic Intelligence Support Team (ASSIST)</li></ul> <p><b>R4.2</b> Implement the procedures as identified in requirement R4.1 upon the occurrence of a sabotage event.</p>
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<b><u>TransCanada</u></b>	<p>TransCanada is concerned about the overlapping requirements of generation facility owners (“GFOs”) regarding sabotage reporting that are contained in both CIP-001-AB-01 and OPP 808. TransCanada submits this overlap creates uncertainty regarding the nature and extent of the obligations of GFOs in these circumstances. Further, as TransCanada expects that proposed amendments to the <i>Alberta Utilities Commission Act</i> will permit the assessment of penalties or offences for contraventions of both reliability standards and ISO Rules (including OPPs), the overlap of requirements between OPP 808 and CIP-001-AB-001 creates the potential for a duplication of penalties or offences for the same event of non-compliance.</p> <p>TransCanada has participated in and contributed to the AESO’s Transition of Authoritative Documents (“TOAD”) initiative. Significant time and effort on the part of TransCanada, the AESO and other TOAD participants has been invested in an attempt to consolidate the AESO’s existing authoritative documents by subject matter so that there are no inconsistencies or overlap between them. TransCanada supports the principles of the TOAD initiative and believes that such principles should be applied to newly filed ISO Rules (including OPPs) and Reliability Standards.</p> <p>Trans Canada submits that prior to filing with the Alberta Utilities Commission, CIP-001-AB-01 and OPP 808 should be revised and consolidated so that there is only one authoritative document regarding sabotage reporting. At a minimum, TransCanada recommends that s. 4.2 of OPP 808, which sets out the sabotage reporting requirements of GFOs and other market participants, be removed and incorporated, if required, into CIP-001-AB-01.</p>	Please see “ <b>Response to concern of overlap between AESO authoritative documents</b> ” on Page 1.
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